

## Message Text

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73

ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 AID-20 CIAE-00 COME-00 FRB-02

INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SPC-03

CIEP-02 OMB-01 SCEM-02 INT-08 TAR-02 CEA-02 STR-08

SSO-00 NSCE-00 INRE-00 USIE-00 DODE-00 PM-07 H-03

L-03 NSC-10 PA-03 PRS-01 SS-15 ACDA-19 IO-13 DRC-01

/192 W

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O 132046Z SEP 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC IMMEDIATE 1727

INFO ALL AMCONSULS IN CANADA

LIMITED OFFICIAL USE OTTAWA 2206

E.O. 11652: N/A

TAGS: ENRG, CA, US

SUBJECT: CANADIAN OIL MEASURES: MACDONALD TELEGRAM ON NEB  
EXPORT DENIAL ACTION.

REF : OTTAWA 2205

ROLLING IS DRAFT TEXT OF ENERGY MINISTER MACDONALD'S TELEGRAM  
OBTAINED FROM NATIONAL ENERGY BOARD. THIS MESSAGE WILL FOLLOW  
TRANSMITTAL OF NEB'S TELEGRAM (SEE REFTTEL FOR TEXT) TO EXPORT  
LICENSE APPLICANTS.

BEGIN TEXT

FROM: MINISTER OF ENERGY, MINES AND RESOURCES, OTTAWA, ONTARIO

TO: LIST OF APPLICANTS FOR OCTOBER CRUDE OIL AND EQUIVALENT  
EXPORT LICENCES

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I HAVE BEEN ADVISED BY THE NATIONAL ENERGY BOARD THAT IT

HAS DENIED ALL OCTOBER CRUDE OIL AND EQUIVALENT EXPORT  
LICENCE APPLICATIONS ON THE GROUNDS THAT THE PRICES TO BE  
CHARGED ARE NOT JUST AND REASONABLE IN RELATION TO THE PUBLIC  
INTEREST UNDER SECTION 83 OF THE NEB ACT. I HAVE BEEN INFORMED  
BY THE BOARD THAT IT IS PREPARED TO CONSIDER RE-APPLICATIONS  
AT PRICES THAT ARE IN MOST CASES \$0.40 PER BARREL ABOVE  
CURRENT PRICES.

IN THE LIGHT OF THE PRIME MINISTER'S STATEMENT OF SEPTEMBER 4,  
I WISH TO ADVISE THAT IT IS MY INTENTION TO SEEK AUTHORITY  
FROM PARLIAMENT TO ENABLE ESTABLISHMENT OF A CONTROL MECHANISM  
WHEREBY HIGHER PRICES IN THE U.S. MARKET WOULD NOT AUTO-  
MATICALLY INCREASE PRICES IN CANADA. IN THIS CONNECTION THE  
AUTHORITY TO BE SOUGHT WOULD INCLUDE PROVISION FOR THE  
RECOVERY BY THE FEDERAL GOVERNMENT OF ADDITIONAL REVENUES  
FROM EXPORT SALES WHICH TAKE PLACE AT PRICES IN EXCESS OF  
DOMESTIC PRICES. IT IS MY INTENTION THAT THIS AUTHORITY WOULD  
TAKE EFFECT WITH SALES COMMENCING OCTOBER 1.

(SIGNED) DONALD S. MACDONALD  
END OF TEXT  
SCHMIDT

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, SALES, POLICIES, EXPORT LICENSES, PRICES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 SEP 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973OTTAWA02206  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** OTTAWA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730937/aaaabazv.tel  
**Line Count:** 83  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** OTTAWA 2205  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11-Sep-2001 by elyme>; APPROVED <14-Nov-2001 by garlanwa>  
**Review Markings:**

Declassified/Released  
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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CANADIAN OIL MEASURES: MACDONALD TELEGRAM ON NEB EXPORT DENIAL ACTION.  
**TAGS:** ENRG, CA, US  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005